

## TRADEMARK ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

Trademark Security Agreement

## CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Russ Berrie U.S. Gift, Inc.		12/23/2008	CORPORATION:

## RECEIVING PARTY DATA

Name:	Wells Fargo Bank, National Association
Street Address:	300 Commercial Street
City:	Boston
State/Country:	MASSACHUSETTS
Postal Code:	02109
Entity Type:	National Association:

## PROPERTY NUMBERS Total: 11

Property Type	Number	Word Mark
Serial Number:	77199321	APPAWS
Registration Number:	1297278	BAXTER
Registration Number:	1966741	BEARS FROM THE PAST
Registration Number:	2558179	CELEBRATE AMERICA
Registration Number:	2635742	GIRL POWRRR...
Registration Number:	1956063	HEARTCRAFT COLLECTION
Registration Number:	1333415	HOT STUFF
Registration Number:	2482505	LUV PETS
Registration Number:	2635758	MAKE SOMEONE HAPPY
Serial Number:	77394000	SEA PALS
Registration Number:	2809975	SKRIBBLES

## CORRESPONDENCE DATA

Fax Number: (973)295-1292

*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*

TRADEMARK

REEL: 003909 FRAME: 0881

900123484

CH \$290.00 77199321

Phone: 973-443-3572  
Email: agostinoj@gtlaw.com  
Correspondent Name: Joseph Agostino- Greenberg Traurig, LLP  
Address Line 1: 200 Park Avenue  
Address Line 4: Florham Park, NEW JERSEY 07932

ATTORNEY DOCKET NUMBER:	050255.023400
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NAME OF SUBMITTER:	Joseph Agostino
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Signature:	/Joseph Agostino/
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Date:	12/29/2008
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Total Attachments: 10  
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## TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement (the "Agreement"), dated as of December 22, 2008 is made by and between Russ Berrie U.S. Gift, Inc., a Delaware corporation having a business location at the address set forth below next to its signature (the "Debtor"), and Wells Fargo Bank, National Association ("Wells Fargo"), and having a business location at the address set forth below next to its signature.

### Recitals

A. Debtor and certain of its Affiliates as co-Borrowers (collectively and individually, "Companies") and Wells Fargo are parties to a Credit and Security Agreement (as amended, supplemented or restated from time to time, the "Credit Agreement") dated the same date as this Agreement, setting forth the terms on which Wells Fargo may now or hereafter extend credit to or for the account of Companies.

B. As a condition to extending credit to or for the account of Companies, Wells Fargo has required the execution and delivery of this Agreement by Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. Definitions. All terms defined in the Recitals hereto or in the Credit Agreement that are not otherwise defined herein shall have the meanings given to them in the Credit Agreement. In addition, the following terms have the meanings set forth below:

"Security Interest" has the meaning given in Section 2.

"Trademarks" means all of Debtor's right, title and interest in and to:

(i) trademarks, service marks, collective membership marks, registrations and applications for registration for each, and the respective goodwill associated with each, (ii) licenses, fees or royalties with respect to each, (iii) the right to sue for past, present and future infringement, dilution and damages therefor, and (iv) licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit A.

2. Security Interest. Debtor hereby irrevocably pledges and assigns to, and grants Wells Fargo a security interest (the "Security Interest") with power of sale to the extent permitted by law, in the Trademarks to secure payment of the Indebtedness. As set forth in the Credit Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of Debtor. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to

assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. Representations, Warranties and Agreements. Except as noted on Exhibit A, Debtor represents, warrants and agrees as follows:

(a) **Existence; Authority.** Debtor is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and this Agreement has been duly and validly authorized by all necessary corporate action on the part of Debtor.

(b) **Trademarks.** Exhibit A accurately lists all Trademarks owned or controlled by Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that Exhibit A need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to Debtor's or any Affiliate's business(es). If after the date hereof, Debtor owns or controls any Trademarks not listed on Exhibit A (other than common law marks which are not material to Debtor's or any Affiliate's business(es)), or if Exhibit A ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then Debtor shall promptly provide written notice to Wells Fargo with a replacement Exhibit A, which upon acceptance by Wells Fargo shall become part of this Agreement.

(c) **Affiliates.** As of the date hereof, no Affiliate owns, controls, or has a right to have assigned to it any items that would, if such item were owned by Debtor, constitute Trademarks. If after the date hereof any Affiliate owns, controls, or has a right to have assigned to it any such items, then Debtor shall promptly either: (i) cause such Affiliate to assign all of its rights in such item(s) to Debtor; or (ii) notify Wells Fargo of such item(s) and cause such Affiliate to execute and deliver to Wells Fargo a trademark security agreement substantially in the form of this Agreement.

(d) **Title.** Debtor has absolute title to each Trademark listed on Exhibit A, free and clear of all Liens except Permitted Liens. Debtor (i) will have, at the time Debtor acquires any rights in Trademarks hereafter arising, absolute title to each such Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Trademarks free and clear of all Liens except Permitted Liens.

(e) **No Sale.** Except as permitted in the Credit Agreement, Debtor will not assign, transfer, encumber or otherwise dispose of the Trademarks, or any interest therein, without Wells Fargo's prior written consent.

(f) **Defense.** Debtor will at its own expense and using commercially reasonable efforts, protect and defend the Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.

(g) **Maintenance.** Debtor will at its own expense maintain the Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all applications to obtain trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to trademark registrations and applications therefor. Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing Wells Fargo: (i) sufficient written notice, of at least 30 days, to allow Wells Fargo to timely pay any such maintenance fees or annuities which may become due on any Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(h) **Wells Fargo's Right to Take Action.** If Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after Wells Fargo gives Debtor written notice thereof (or, in the case of the agreements contained in subsection (g), immediately upon the occurrence of such failure, without notice or lapse of time), or if Debtor notifies Wells Fargo that it intends to abandon a Trademark, Wells Fargo may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of Debtor (or, at Wells Fargo's option, in Wells Fargo's own name) and may (but need not) take any and all other actions which Wells Fargo may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(i) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, Debtor shall pay Wells Fargo on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Wells Fargo in connection with or as a result of Wells Fargo's taking action under subsection (h) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by Wells Fargo at the Default Rate.

(j) **Power of Attorney.** To facilitate Wells Fargo's taking action under subsection (h) and exercising its rights under Section 6, Debtor hereby irrevocably appoints (which appointment is coupled with an interest) Wells Fargo, or its delegate, as the attorney-in-fact of Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by Debtor under this Section 3, or, necessary for Wells Fargo, after an Event of Default, to enforce or use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to any third party, or to sell, assign,

transfer, pledge, encumber or otherwise transfer title in or dispose of the Trademarks to any third party. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Credit Agreement as provided therein and the payment and performance of all Indebtedness.

4. Debtor's Use of the Trademarks. Debtor shall be permitted to control and manage the Trademarks, including the right to exclude others from making, using or selling items covered by the Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.

5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Credit Agreement, shall occur; or (b) Debtor shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. Remedies. Upon the occurrence of an Event of Default and at any time thereafter, Wells Fargo may, at its option, take any or all of the following actions:

(a) Wells Fargo may exercise any or all remedies available under the Credit Agreement.

(b) Wells Fargo may sell, assign, transfer, pledge, encumber or otherwise dispose of the Trademarks.

(c) Wells Fargo may enforce the Trademarks and any licenses thereunder, and if Wells Fargo shall commence any suit for such enforcement, Debtor shall, at the request of Wells Fargo, do any and all lawful acts and execute any and all proper documents required by Wells Fargo in aid of such enforcement.

7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Wells Fargo. A waiver signed by Wells Fargo shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of Wells Fargo's rights or remedies. All rights and remedies of Wells Fargo shall be cumulative and may be exercised singularly or concurrently, at Wells Fargo's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Debtor under this Agreement shall be given in the manner and with the effect provided in the Credit Agreement. Wells Fargo shall not be obligated to preserve any rights Debtor may have against prior parties, to realize on the Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Trademarks in any particular

order of application. This Agreement shall be binding upon and inure to the benefit of Debtor and Wells Fargo and their respective participants, successors and assigns and shall take effect when signed by Debtor and delivered to Wells Fargo, and Debtor waives notice of Wells Fargo's acceptance hereof. Wells Fargo may execute this Agreement if appropriate for the purpose of filing, but the failure of Wells Fargo to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by Debtor shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of New York without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Indebtedness.

**THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.**

(Signature page follows)

IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date written above.

Russ Berrie U.S. Gift, Inc.

2520 Route 130

Cranbury, NJ 08512

Telecopier: \_\_\_\_\_

Attention: Richard D. Snow

RUSS BERRIE U.S.GIFT, INC.

By 

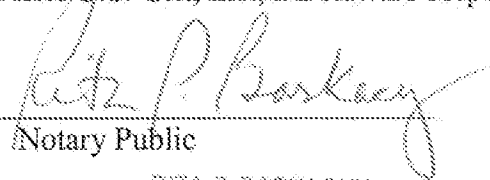
Name: Richard D. Snow

Title: President and CEO

STATE OF New York

COUNTY OF New York

The foregoing instrument was acknowledged before me this 22 day of December, 2008, by Richard D. Snow, the President and CEO of Russ Berrie U.S. Gift, Inc., a Delaware corporation, on behalf of the corporation.

  
Notary Public

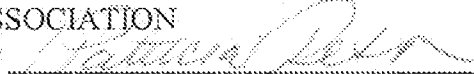
RITA P. BARKACHY  
Notary Public, State of New York  
No. 4943048  
Qualified in Rockland County  
Commission Expires Oct. 17, 2010



Wells Fargo Bank, National Association  
300 Commercial Street  
Boston, Massachusetts 02109  
Telecopier: (617) 263-6328  
Attention: Relationship Manager for Russ Gift  
Group, Inc.

WELLS FARGO BANK, NATIONAL  
ASSOCIATION

By

  
Patricia Petrin

Vice President

EXHIBIT A

UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS

AND COLLECTIVE

Mark

Registration Number

Registration Date

See Attached

APPLICATIONS

None

COLLECTIVE MEMBERSHIP MARKS

None

UNREGISTERED MARKS

None

## **EXHIBIT A**

### **REGISTERED TRADEMARKS**

*Russ Berrie U.S. Gift, Inc.<sup>1</sup>*

<b>Trademark</b>	<b>Country</b>	<b>Trademark Application/ Registration Number</b>
APPAWS	United States	App. No. 77199321 <sup>2</sup>
BAXTER	United States	Reg. No. 1,297,278
BEARS FROM THE PAST	United States	Reg. No. 1,966,741
CELEBRATE AMERICA	United States	Reg. No. 2,558,179 <sup>3</sup>
GIRL POWRRR...	United States	Reg. No. 2,635,742 <sup>3</sup>
HEARTCRAFT COLLECTION	United States	Reg. No. 1,956,063
HOT STUFF	United States	Reg. No. 1,333,415 <sup>3</sup>

<sup>1</sup> Certain of the trademark registrations and applications listed under Russ Berrie U.S. Gift, Inc. on this portion of the Schedule had been in the name of Russ Berrie and Company, Inc. The rights to same were conveyed by Russ Berrie and Company, Inc. to Russ Berrie U.S. Gift, Inc., a wholly-owned subsidiary of Russ Berrie and Company, Inc., in connection with the spin-off transaction completed on March 14, 2006. Russ Berrie and Company, Inc. executed documents at the closing assigning all of its right, title, and interest to these marks. Assignments have been filed with the United States Patent and Trademark Office ("PTO") but have not been addressed in foreign filing jurisdictions.

<sup>2</sup> This application was filed with the PTO as an Intent to Use (ITU) application. Notice of Allowance was issued on February 12, 2008 and the first request for an Extension of Time to File a Statement of Use was approved on March 1, 2008. Either a Statement of Use or Extension Request should have been filed by August 12, 2008. As of December 16, 2008, neither a Statement of Use nor an Extension Request has been filed, and no action has been taken by the PTO.

<sup>3</sup> Mark was registered April 9, 2002. A Section 8 Affidavit of Use should have been filed between the fifth and sixth year following registration (between April 9, 2007 and April 8, 2008). PTO records show no filings have been made since registration.

<sup>2</sup> Mark was registered October 15, 2002. Section 8 Affidavit of Use should have been filed between the fifth and sixth year following registration (between October 15, 2007 and October 14, 2008). PTO records show no filings have been made since registration.

<sup>3</sup> Mark was registered December 28, 1987 for twenty years. Should have been renewed by December 28, 2007, but no renewal application is on file at the PTO.

<b>Trademark</b>	<b>Country</b>	<b>Trademark Application/ Registration Number</b>
LUV PETS	United States	Reg. No. 2,482,505
MAKE SOMEONE HAPPY	United States	Reg. No. 2,635,758
MAKE SOMEONE HAPPY	Canada	Reg. No. TMA592292
SEAPALS	United States	App. No. 77/394000 <sup>4</sup>
SKRIBBLES	United States	Reg. No. 2,809,975

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<sup>4</sup> According to the PTO records dated December 1, 2008, the final review before registration has been completed for this application and it will register in due course.